VALLEY CLEAN ENERGY ALLIANCE

Staff Report - Item 5

To: Valley Clean Energy Alliance Board of Directors

From: Mitch Sears, Interim General Manager

Shawn Marshall, LEAN Energy US

Subject: Regulatory & Legislative Update

Date: March 22, 2018

RECOMMENDATION: Receive regulatory and legislative report.

BACKGROUND & DISCUSSION:

Participation in CCA regulatory and legislative affairs is a critical aspect of VCEA's long-term planning, operations, and risk management strategy that will grow in importance as VCEA draws closer to program launch. At present, LEAN Energy is providing regulatory monitoring and reporting on key regulatory issues affecting emergent CCAs. Cal-CCA, a statewide trade association of which VCEA is now a full member, participates in regulatory proceedings and also provides coordinated legislative support in Sacramento. VCEA will also soon retain regulatory legal counsel to support its regulatory compliance and advocacy efforts.

Regulatory Report

Attached please find LEAN's most recent regulatory report (dated March 15, 2018) which provides a summary overview and several links to supporting documents regarding key regulatory issues currently before the CPUC.

On February 8, the Commission approved **Final Resolution E-4907**. The Resolution requires that CCAs meet the same forecasting and contracting process for resource adequacy (RA) as all other load serving entities (LSEs) prior to serving new customers, something which operating CCAs have all done. Energy Division claims the resolution serves two major purposes: 1) to ensure that CCA programs are incorporated into the annual RA process when they launch or expand (to help avoid cost shifting) and 2) to satisfy an outstanding order in D.05-12-041 which required a process on how to submit implementation plans for CCAs to obtain registration for RA. The Final Resolution grandfathers all CCA programs that submitted implementation plans prior to December 8, 2017 which includes VCEA, but future rulemakings on this topic could impact the timing of future expansion plans.

CCA responses to the joint utilities **Petition for Modification of the CCA Code of Conduct** were filed on March 1 and the utilities provided comments on March 12. The petition seeks to lift current limitations on utility 'lobbying' against CCA programs, which is broadly defined as communicating with public officials or the public for the purpose of convincing a government

agency not to participate in or to withdraw from a CCA program. The Joint Utilities claim that the current restriction is inhibiting their ability to provide timely and effective information to local governments on CCA formation decisions. CCAs counter that the code of conduct was included SB 790 for lawful and good reason and that utilities have this ability if they choose to form an independent marketing division funded by shareholders (not ratepayers).

Legislative Report

Staff will forward Cal-CCA 2018 legislative priorities when they are received. The Community Advisory Committee Reg/Leg Task Group is in the process of assessing recently introduced and/or amended legislation including AB 813 that proposes to regionalize management of the western electricity grid. CalCCA is also tracking this and other CCA related Bills and will provide recommendations to its members which will be assessed utilizing the Board policy adopted at its February meeting to determine the level of involvement VCE will take in regulatory and legislative matters.

Attachments:

LEAN Energy US March 2018 Regulatory Report



To: LEAN Energy Clients:

East Bay Community Energy Monterey Bay Community Power Valley Clean Energy Alliance

From: Shawn Marshall, Executive Director, LEAN Energy US

Date: March 15, 2018

Subject: Regulatory Update #20, February 2018/March 2018

Each month, LEAN focuses on regulatory activities likely to have broad impact on the Community Choice Aggregation (CCA) community and emergent CCA programs. This memo provides an update on key developments at the California Public Utilities Commission (CPUC) and California Energy Commission (CEC) in the past month.¹

CCA-SPECIFIC ACTIVITY

Final Resolution E-4907

On December 8, the CPUC issued <u>Draft Resolution E-4907</u>, (DR) proposing a registration and implementation plan process for CCA programs, including requirements on Resource Adequacy (RA) forecasting. The DR would have, in effect, delayed until 2020 the launch of any CCA program that had not submitted an Implementation Plan as of December 8. In response to submitted comments, revisions were made to offer flexibility for CCA programs that wish to serve load in 2019, but had not submitted an Implementation Plan as of December 8, 2017.

Recent Activity:

On February 8, the Commission approved <u>Final Resolution E-4907</u>. The Energy Division gave a <u>presentation</u> at the Commission Voting Meeting to explain the purpose, requirements and revisions to Resolution E-4907. In sum, the Resolution requires that all CCA programs meet the same forecasting and contracting process for RA as all other Load Serving Entities (LSEs) prior to serving new customers. Energy Division claims the Resolution serves two major purposes: (1) to ensure that CCA programs are incorporated into the annual RA process when they launch or expand (to help avoid cost-shifting); and (2) to satisfy an outstanding order in D. 05-12-041, which required a process on how to submit implementation plans for CCAs and obtain registration for RA. Energy Division states publication of this process will provide needed clarity to prospective communities about how to submit Implementation Plans and obtain registration.

The Final Resolution grandfathers all CCA programs that submitted implementation plans prior to December 8, 2017. Additionally, the Resolution also includes the Energy Division's plan to process CCA implementation plans submitted by

¹ This monthly memo is designed to provide LEAN's clients with a current snapshot of key regulatory activities related to CCA in order to help them make informed decisions about whether and how to engage in regulatory processes during their program formation and early operations. This monthly report is not a comprehensive inventory of regulatory and statutory requirements impacting operational CCAs. Regulatory and statutory compliance requires a more comprehensive inventory than the subset of activities described herein, and must be tailored to the specific circumstances of each CCA program.

March 1, 2018, within 45 days (which is half the statutory mandate of 90 days.) For CCAs that weren't grandfathered under either of these options, and want to serve load in 2019, there is a waiver process with two options:

- 1. The CCA can negotiate with the investor-owned utility (IOU) to buy RA needed to serve their load.
- 2. If the CCA is not able to buy the RA from the IOU, the CCA can submit a letter to the CPUC, and the RA will be assigned at a CPUC determined price.

Petition for Modification of the CCA Code of Conduct

On January 30, 2018, the Joint Utilities filed a Petition for Modification of CPUC Decision 12-12-036, which adopted the CCA Code of Conduct as required by Senate Bill (SB) 790 (2011). The Joint Utilities request that the CCA Code of Conduct be modified to eliminate the current limitation imposed on utilities to refrain from "lobbying" against CCA programs, which is broadly defined as communicating with public officials or the public for the purpose of convincing a government agency not to participate in or to withdraw from a CCA program. The Joint Utilities claim that the current restriction is inhibiting their ability to provide timely and effective information to local governments on CCA formation decisions.

Responses to the Petition for Modification were filed on March 1. (See CalCCA Response, WRCOG-LACCE-DCE Response, Other Responses.) Joint Utilities will file a reply to responses on March 12.

CPUC REGULATORY CASE DEVELOPMENTS

Power Charge Indifference Adjustment (PCIA) Rulemaking Proceeding

To Do: LEAN is monitoring developments in the PCIA Rulemaking Proceeding.

Background:

As previously reported, the topics for consideration in the PCIA rulemaking include:

- Improving the transparency of the existing PCIA process;
- Revising the current PCIA methodology to increase stability and certainty;
- Reviewing specific issues related to inputs and calculations for the current PCIA methodology;
- Considering alternatives to the PCIA;
- Senate Bill (SB) 350 considerations on the treatment of bundled retail customers and departing load customers;
- Status of PCIA exemptions for California Alternate Rate for Energy (CARE) and Medical Baseline (MB) customers.

On September 25, a <u>Scoping Memo</u> established two Tracks of the PCIA Rulemaking proceeding. <u>Track 1</u> is addressing exemptions from the PCIA for customers participating in the CARE and MB programs (PCIA Exemption). As previously reported, a tentative settlement has been reached with PG&E on phase out of the exemption, while SCE is moving forward to briefing as noted below. <u>Track 2</u> is considering alternatives to the current PCIA methodology, with initial emphasis placed on how to get proper access to PCIA data through a protective order. On January 16-17, PCIA Workshop 2 took place. (See <u>Agenda, Presentations</u>, and <u>Video</u>.) On January 31, parties filed a Joint <u>Status Update</u> regarding the need for evidentiary hearings, testimony outline, and data matrix.

Recent Activity:

- February 7: <u>Motion</u> of Joint Parties requesting an extension of procedural schedule (See: Joint IOUs <u>Protest</u>).
 - March 2: Amended Scoping Memo issued, setting revised procedural schedule for Track 2:
 - April 2: Opening testimony due.
 - April 23: Concurrent rebuttal testimony served.

- May 7-11: Evidentiary Hearings.
- June 1: Concurrent Opening Briefs/ Request for Final Oral Argument Filed and Served.
- June 15: Concurrent Reply Briefs.
- Late July 2018: Proposed Decision mailed for comment.
- Februrary 20: Opening Briefs on SCE Track 1 Issues (See: SCE, CCEA, CforAT, ORA, LACCE/DCE/WRCOG).
 - PG&E expects to file its Track 1 settlement during week of March 5.

Next Steps:

- [Track 1] March 13: Reply Briefs on Track 1 issues for SCE (as revised by AU Ruling).
- [Track 2] April 2: Opening Testimony

Integrated Resource Planning (IRP)

To Do: LEAN is monitoring this proceeding and considering forming a working group to address CCA IRP issues.

Background:

This rulemaking proceeding addressed the new IRP requirements associated with SB 350, as well as long-term procurement planning (LTPP) policies. On May 16, the Energy Division issued their proposal on the IRP planning process. As previously reported, the Energy Division proposed a prescriptive approach, with significant requirements on Community Choice Aggregators serving 700 GWh or more per year in electric load; Community Choice Aggregators serving less than 700 GWh per year will be subjected to fewer requirements.

On September 19, a <u>Ruling</u> was issued distributing a proposed Reference System Plan (RSP) (See <u>Summary</u> of Ruling). On September 25-26, a workshop took place providing preliminary feedback on the Proposed RSP of the IRP process (See <u>Agenda/Presentation</u>, and <u>Summary</u>.) On October 26, Opening Comments were filed on the the Proposed RSP (<u>CalCCA comments</u>, <u>General Summary</u> and <u>Question Summary</u>). On November 2, there was an all-Party meeting on the proposed IRP process and RSP (See <u>Presentation</u> and <u>Summary</u>). On November 9, parties filed Reply comments on the Proposed RSP (<u>CalCCA Reply Comments</u> and <u>Summary</u> of all Reply Comments).

On December 28, Assigned Commissioner (Randolph) issued a <u>Proposed Decision</u> (PD) setting requirements for CCA programs and other LSEs' IRPs and adopting a two-year planning cycle for the CPUC to consider IRP filings. (See <u>Initial Summary and Recommendation</u>.) As written, the PD minimized the role of local CCA governing boards in approving IRPs, and elevated the CPUC's role over such IRPs. On January 17, Parties filed Opening Comments on the PD (<u>CalCCA</u>, <u>SCE</u> and <u>Folder</u> of all Opening Comments.) On January 22, Parties filed Reply Comments on the PD (<u>CalCCA</u> comments).

Recent Activity:

On February 8, the CPUC approved <u>D.18-02-018</u> (see Redline PD). Of note, the decision moves the first IRP submittal date from June 1 to August 1, 2018. The decision also acknowledges a certain degree of distinction and separation between the CPUC and local governing boards, but does not go as far as CalCCA had requested. The decision also clarified that any CCA that has an approved implementation plan as of the scheduled IRP filing date should be required to file an IRP, even if it is not yet serving load. The decision maintained the "Alternative" Plan approach for CCAS serving less than 700 GWh per year in load, but added a number of additional requirements for these IRP submittals (see D.18-02-018 at 135).

On February 28, several parties (including PG&E and Natural Resources Defense Council) jointly filed a <u>Petition for Modification</u> seeking to modify D.18-02-018 to authorize greenhouse gas-free procurement to replace Diablo Canyon.

Next Steps:

- March 15: Date for filing applications for rehearing.
- March 30: Responses to Joint Parties Petition for Modification.
- August 1: IRP filings by individual CCAs.

CCA Bond Requirements

To Do: No change since last month. LEAN will continue to monitor this proceeding.

Background:

This rulemaking proceeding was originally opened in 2003 to implement the CCA enabling statute (Assembly Bill (AB) 117). However, this rulemaking proceeding is now simply focused on the methodology for setting the CCA Bond, which is intended to cover the costs of involuntary re-entry fees of CCA customers to bundled IOU service. Opening testimony was submitted on July 28. (See <u>CalCCA Testimony</u> and <u>CalCCA Appendices to Testimony</u>; <u>Marin Clean Energy (MCE)</u>

<u>Opening Testimony</u> and <u>MCE Appendices</u>; <u>Joint Utilities Testimony</u>). The Joint Utilities served <u>rebuttal testimony</u> on August 25. CalCCA also served <u>rebuttal testimony</u> on August 25. On September 18, <u>CalCCA</u> and <u>Joint Utilities</u> provided comments noting that evidentiary hearings are necessary.

Recent Activity:

- November 6: Opening Briefs (<u>Joint IOUs</u> and <u>CalCCA</u>).
- November 20: Reply Briefs (<u>Joint IOUs</u> and <u>CalCCA</u>).

Next Steps:

• Issuance of a Proposed Decision is expected in first quarter 2018.

Resource Adequacy (RA) Rulemaking

To Do: LEAN will monitor developments in this RA Rulemaking Proceeding.

Background:

The CPUC regularly considers RA-related matters in a rulemaking proceeding. This proceeding was instituted in September 2017, and on January 18, 2018, a <u>Scoping Memo</u> was issued. Among other things, RA-related issues associated with CCA load migration will be addressed in a decision by June 1, 2018. On January 30, parties filed comments on the Scoping Memo (see comments of <u>CCA Parties</u>, <u>PG&E</u>, <u>LACCE/DCE/WROCOG</u>, and <u>CAISO</u>).

Recent Activity:

- February 16: RA proposals of <u>Energy Division</u>, <u>CCA Parties</u>, <u>SCE</u>, and <u>PG&E</u>. (See <u>Folder</u> of all Proposals.)
- February 22-23: Workshop to Discuss RA Proposals (See Email Notice and Agenda.)

Next Steps:

- March 7: Comments filed on the workshop and on all proposals.
- March 16: Reply Comments filed on the workshop and on all proposals.
- May 2018: Proposed Decision.

June 2018: Final Decision.

Residential Rates, Default Time of Use (TOU), and Marketing Education and Outreach (ME&O)

To Do: LEAN will monitor developments in the Residential Rate Rulemaking and Rate Design Window Applications.

Residential Rate TOU-Pilots

On June 28, a <u>Draft Resolution</u> was issued on PG&E's <u>Pilot</u> Residential Rate TOU program. MCE and SCP are the only CCAs participating in PG&E's Pilot TOU program; all other CCAs are excluded from participation. On July 31, MCE and SCP submitted <u>comments</u> on the Draft Resolution, expressing concern about PG&E's lack of progress in providing a comparable bill-comparison tool for CCA customers. On August 10, a <u>Final Resolution</u> approved PG&E's Residential Rate TOU Pilot program. The resolution clarified that PG&E may recover costs necessary to provide CCA customers with rate comparisons for the default pilot entirely through distribution rates. However, the resolution declined to provide any direction regarding the appropriate method or cost recovery for creating a long term rate comparison tool solution for CCA customers. This issue is expected to be addressed in the consolidated Rate Design Window proceeding (addressed below).

Residential Default TOU-ME&O

On September 26, the CPUC submitted <u>Draft Resolution E-4882</u> addressing PG&E's ME&O on Residential <u>Default</u> TOU Rates. On October 30, <u>CCA parties</u> (MCE, SCP and SVCE) submitted a response to the Draft Resolution, arguing that CCA representatives should be involved in the development of marketing material. On December 14, the Commission approved PG&E's ME&O plan with <u>Final Resolution E-4882</u>, which now recognizes the need for coordination with CCAs in ME&O efforts.

On December 14, a final decision (D.17-12-023) was issued in the residential rate rulemaking on statewide ME&O. This decision expands the existing Energy Upgrade California campaign and permits IOUs to switch customers to TOU rates in waves. (See Redlined Version.)

On January 5, the Commission issued <u>Draft Resolution 4895</u>, approving SCE's ME&O Plan for Residential <u>Default</u> TOU Rates; CCEA submitted <u>Comments</u> on the DR. On February 8, the Commission approved <u>Final Resolution E-4895</u>. The resolution requires SCE to file a Tier 2 advice letter to provide a proposal describing how it intends to engage with CCAs in its service territory regarding the development of default TOU ME&O materials.

Default TOU- IOU Applications

On December 20, PG&E filed its Rate Design Window (Default TOU) Application (<u>PG&E Application and Testimony</u>). On December 21, SCE filed its Rate Design Window (Default TOU) Application (<u>SCE Application and Testimony</u>). On January 22, parties filed Protests/Responses to the applications. (See CCA Parties' <u>Protest</u> to PG&E and East Bay Community Energy <u>Response</u> to PG&E; see CCEA <u>Protest</u> to SCE). On January 25, ALJ Tsen issued a <u>Ruling</u> consolidating the three IOU Rate Design Window applications (<u>PG&E - A.17-12-011</u>, <u>SCE - A.17-12-012</u>, <u>SDG&E - A.17-12-013</u>).

Recent Activity:

- On February 14, a joint <u>Prehearing Conference Statement</u> was filed, and a <u>Prehearing Conference</u> was held on February 21.
- On February 23, the CCA Parties' and CCEA filed a <u>Supplemental Prehearing Conference Statement</u>, further arguing that the issue of cost allocation is within the scope of this proceeding.

 On March 1, a <u>Scoping Memo</u> was issued for Phase 1 (which will address SCE's and PG&E's requests to delay rollout until late-2020).

Next Steps:

- March 12: Opening Comments on Phase 1 questions regarding timing for roll-out; March 19 (Reply Comments).
- April 20: Expected issuance of Phase 1 Proposed Decision (on timing issues).
- April/May: Issuance of subsequent scoping memo on other (non-timing) issues.

Renewables Portfolio Standard (RPS)-Procurement Plans

To Do: A final decision was adopted in this proceeding. LEAN will continue to monitor any developments.

Background:

This rulemaking proceeding addresses ongoing oversight of the RPS program, including review of procurement plans and reporting on RPS progress. The following CCA-related RPS Procurement Plans were submitted July 21:

- Apple Valley Choice Energy
- Lancaster Choice Energy (LCE)
- Silicon Valley Clean Energy (SVCE)
- MCE
- Peninsula Clean Energy (PCE)
- Pico Rivera Innovative Municipal Energy (PRIME)
- Redwood Coast Energy Authority (RCEA)
- SCP

On September 22, <u>Apple Valley Choice Energy</u>, <u>PRIME</u>, <u>SVCE</u> and <u>LCE</u> submitted Updated 2017 RPS Procurements Plans. On November 1, several CCAs submitted supplemental compliance documents. On November 14, a <u>Proposed Decision</u> was issued, approving all of the submitted CCA RPS procurement plans. On December 4, comments were filed on the PD by <u>PG&E</u>, <u>SCE</u>, and <u>CCA Parties</u> (LCE, MCE, RCEA, SVCE, SCP). On December 11, Reply Comments were filed. (See <u>PG&E</u> and <u>Summary of Reply Comments</u>.) On December 12, the <u>Agenda Redline Decision</u> accepted CCA Parties' request on the submission date for new CCAs. On December 14, the CPUC adopted the Final Decision <u>(D.17-12-007)</u>.

Recent Activity:

- January 11: <u>PG&E</u>, <u>Monterey Bay Community Power Authority</u> and <u>San Jacinto Power filed 2017 RPS</u> Procurement Plans, followed on January 31 by <u>Rancho Mirage</u>.
- March 2: Valley Clean Energy Alliance filed its 2017 RPS Procurement Plan.

Green Tariff Shared Renewables (Green Tariff or GTSR)

To Do: LEAN will monitor developments.

Background:

The Green Tariff program was authorized in SB 43 (2013). The program allows the utilities an opportunity to offer optional Green Tariff rates for customers electing to receive a higher level of renewable energy. The CPUC approved the programs in D.15-01-051. In that decision, the CPUC set a termination date of January 1, 2019 and required the utilities

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to file advice letters to extend the programs. On December 22, PG&E filed <u>AL 5206-E</u> proposing modifications to its Green Tariff program, and SCE filed <u>AL 3722-E</u>, proposing to terminate its Green Tariff program due to low subscription rates. (See PG&E's <u>2016 Annual GTSR Report</u> and SCE's <u>Annual GTSR Progress Report.)</u>

Recent Activity:

- February 2: Protests filed on IOU advice letters:
 - SCE AL 3722-E: Joint Parties, the Joint Solar Interests, Clean Coalition, and ORA.
 - PG&E AL 5206-E: <u>CCA Parties</u>, <u>CCSF</u>, <u>ORA</u>, <u>SEIA</u> and <u>CCSA</u>.
- February 9: IOUs filed replies to protests: <u>SCE</u> and <u>PG&E</u>.
- February 21: Annual Green Tariff program forum (See Agenda and Presentation.)

Next Steps:

Disposition letter or draft resolution in response to PG&E and SCE advice letters.

SDG&E's Request to Establish a Marketing Affiliate (Advice Letter 2822-E) (CCA Code of Conduct)

To Do: No change since last month. LEAN will continue to monitor activity related to this matter.

Background:

On January 27, 2017 SDG&E filed a revised compliance plan, Advice Letter 3035, for its Independent Marketing Division (IMD). On February 16, 2017 LEAN joined with other parties in protesting this latest advice letter. On April 6, 2017 the Energy Division issued a Disposition Letter approving AL 3035. On April 17, 2017 the CalCCA sent a letter to the CPUC requesting full Commission review of the Disposition Letter, and reiterating an earlier request for an Order to Show Cause regarding lobbying activity that SDG&E/Sempra conducted before the Advice Letter was approved. CalCCA's request, however, does not suspend the effectiveness of the Energy Division's approval. CPUC staff indicated in a teleconference on July 24, 2017 that no formal action will be taken on the Order to Show Cause.

On a matter related to the CCA Code of Conduct, Cal Choice submitted a <u>Letter</u> to assigned Commissioners on September 25, 2017. The letter expressed concern for SCE's conduct in forming a coalition related to the PCIA. On September 28, SCE submitted a <u>Response</u>.

Next Steps:

- The CPUC's Energy Division will prepare a draft resolution addressing CalCCA's request for full Commission review of the disposition letter. This request is long overdue.
- Separately, the CPUC's Legal Division is preparing a decision responding to SDG&E's application for rehearing of Resolution E-4874, which determined that SDG&E's IMD is also subject to the CPUC's affiliate transaction rules.

Tree Mortality Nonbypassable Charge (NBC)

To Do: No change since last month. LEAN will continue monitoring this proceeding.

Background:

On November 14, 2016, the Joint Utilities filed their proposal to establish a Tree Mortality NBC (<u>Testimony</u>.) CalCCA filed a <u>Protest</u>. On July 14, 2017 CalCCA filed a <u>motion</u> arguing that parties should be allowed to argue for different cost recovery treatment for costs that have been statutorily authorized, on the one hand, versus costs that have simply been

authorized by the CPUC. On December 12, there was an Informal Workshop on BioRAM NBC Mechanism IOU/CCA proposals. (See <u>Agenda</u>, <u>CalCCA</u> and <u>IOUs</u> Presentations.)

Recent Activity:

• January 5: Initial settlement teleconference.

Next Steps:

- TBD: Expected ruling requesting submission of workshop presentations and comments on presentations.
- TBD: A Scoping Memo will be issued defining the scope of issues and procedural schedule.

CEC REGULATORY CASE DEVELOPMENTS

Implementation of AB 1110 - Power Source Disclosure

To Do: LEAN is monitoring developments in this CEC Proceeding. (See OIR.)

Background:

This proceeding considers modifications to the Power Source Disclosure Program. Retail sellers, which includes CCAs, will be required to disclose both GHG emissions intensity of their respective electricity portfolios offered to customers and the CEC's calculation of GHG emissions intensity associated with all statewide sales. Retail sellers will also annually report other information to verify procurement claims and environmental claims made for the previous year. The CEC is required to adopt program guidelines by January 1, 2018. On June 27, CEC staff issued the AB 1110 Implementation Proposal. Numerous parties have submitted comments on the proposal. On September 18, PCE submitted a fairly detailed set of Comments. On January 17, the CEC released the Revised AB 1110 Implementation Proposal for Power Source Disclosure.

Recent Activity:

- February 1: Staff Workshop on Updates to Power Source Disclosure (see <u>Notice</u>, <u>Slides</u>, and <u>Transcript</u>).
- February 23: Parties filed comments on Revised Proposal (See CalCCA Comments and Joint Utility comments).

Next Steps:

 CEC staff continues to work on the AB 1110 Implementation Proposal. AB 1110 set a January 1, 2018 CEC adoption timeframe, with reporting of GHG intensity occurring after December 31, 2018, though this adoption timeframe may be extended.

CPUC/CEC – JOINT ACTIVITY

Environmental Justice (EJ) and Disadvantaged Communities (DAC) Issues

To Do: LEAN will monitor any developments related to the new DAC Advisory Group.

Background:

SB 350 requires that the CPUC and the CEC create a DAC Advisory Group (DACAG), which will assist the two Commissions in understanding how energy programs impact these communities. On July 31, the CPUC and the CEC provided notice of their <u>proposal</u> to establish the DACAG. (See <u>summary</u>.) MCE filed <u>comments</u> on this proposal, arguing that CCAs and their representatives are uniquely positioned to communicate with and represent the DACs they serve, and therefore, that the DACAG should have at least one CCA community representative. On November 1, the CPUC released a <u>Draft Resolution</u> and a <u>Solicitation Letter</u> proposing to establish a charter for the DACAG. On December 13/14, the CEC/CPUC approved the DACAG charter (see CPUC <u>Resolution</u>).

Recent Activity:

- The CEC approved 10 members of the DACAG.
- March 2: CCEA submitted a Proposal to provide CCA support services in the San Joaquin Valley.